

**MELROSE CITY COUNCIL
REGULAR MEETING
THURSDAY, MARCH 20, 2025 – 6:00 P.M.**

A.I. #1 CALL TO ORDER/ROLL CALL/PLEDGE OF ALLEGIANCE

The Melrose City Council met in a Regular Meeting on Thursday, March 20, 2025 at 6:00 p.m. at the Melrose City Center pursuant to due notice being given thereof. Present were Council Members Tony Klasen, Travis Frieler, Mark Niehoff, and Mayor Joe Finken, City Administrator Colleen Winter, and City Clerk Patti Haase. Council Member Joeline Wieling was absent. Mayor Finken presided thereat.

The Council then recited the Pledge of Allegiance.

A.I. #2 APPROVAL OF AGENDA

A motion was made by Mr. Frieler, seconded by Mr. Niehoff and unanimously carried to approve the agenda as amended.

A.I. #3 OPEN FORUM

Mayor Finken then opened the floor to public comment. There were no comments.

A.I. #4 CONSENT AGENDA

The following items were considered for approval under the Consent Agenda:

- a. The minutes from the February 20, 2025 Special Meeting, the February 20 Regular Meeting, and the February 20 Special Joint Meeting with Area Cities and Townships.
- b. List of bills in the amount of \$864,939.26.
- c. List of investments for the month of February
- d. Receptionist/Building Permit Tech, Alexandria Evenson will complete 1 year of service with the city on March 11, 2025. City Administrator Colleen Winter has conducted Ms. Evenson's review, and it is favorable; therefore, recommends she receive a step increase from Step 1 to Step 2 on the wage scale.
- e. Utility Billing Clerk, Lisa Braun will complete 2 years of service with the city on April 11, 2025. City Administrator Colleen Winter has conducted Ms. Braun's review, and it is favorable; therefore, recommends she receive a step increase from Step 2 to Step 3 on the wage scale.
- f. Ambulance Coordinator Gina Eggert is requesting approval to be given to the appointment of Savannah Gruber as an EMT to the Ambulance Department starting at Step 1 on the wage schedule. Contingent upon successful pre-employment physical, drug screen and background check.
- g. Donation Resolutions
 - 1) Resolution No. 2025-11 donation in the amount \$1,000 from American Legion Post #101 towards the Tri-Cap Bus Service
 - 2) Resolution No. 2025-12, donation in the amount of \$995 from American Legion Post #101 towards the new signage at Meadowlark Park
 - 3) Resolution No. 2025-13, donation in the amount of \$500 from the American Legion Auxiliary Post #101 towards the Tri-Cap Bus Service
 - 4) Resolution No. 2025-14, donation in the amount of \$980 from the Melrose

- Fire Relief Association towards the purchase of a grain auger.
- 5) Resolution No. 2025-15, donation in the amount of \$15,000 from Land O' Lakes towards the Melrose Fire Department Ladder Truck.
- h. The Council to give consideration to approve a Community Festival License - Public Property to the Melrose Area Arts Council for the Arts Festival to be held on Friday, May 2, 2025.
- i. The Council to give consideration to approval of a Community Festival License - Public Property to the Melrose Area Chamber of Commerce for the Riverfest celebration to be held June 27-29, 2025. The Chamber is requesting a temporary on-sale liquor license. Approval is contingent upon state approval, and necessary liquor liability insurance documentation.
- j. Gambling Resolution No. 2025-17, Resolution Approving Gambling License to the Melrose Area Chamber of Commerce for an exemption from lawful gambling license to hold a raffle and sell pull-tabs, and conduct a bingo, and paddlewheel on June 27-28, 2025, at Sauk River Park located at 206 5th Avenue NE.

A motion was made by Mr. Niehoff, seconded by Mr. Klasen and unanimously carried to approve the Consent Agenda items.

A.I. #5 REPORTS

- a. Stearns County Attorney Janelle Kendall provided an overview of the 2024 prosecutions for the City of Melrose. The County prosecuted 30 misdemeanors, and 5 gross misdemeanors. The total number of adult and juvenile prosecutions for 2024 was 42 misdemeanors, 9 gross misdemeanors, and 8 felonies. The County provides training opportunities and legal updates at no cost to all members of the Melrose Police Department.
- b. Police Chief Craig Maus presented the Police Department's February 2025 report. He noted there were 201 calls for service during that month, compared to 285 for February 2024. A total of 9 citations were written for the month of February. There were 55 verbal warnings and 4 written warnings. The year-to-date number of calls is 496 compared to 1613 in 2024. For the month of February 2025, the Department received 9 agency assist calls.
- c. During the period from February 6, 2025, through March 12, 2025, we have given significant attention to the following projects on behalf of the City of Melrose:
- **Murals** – Prepared initial draft of ordinance regulating preparation and maintenance of murals in the City of Melrose.
 - **Community Billboard** – Reviewed easement language for I-94 east bound billboard and sign regulations regarding possible change to an e-billboard.
 - **Short-Term Rentals** – Reviewed existing city ordinances and prepared opinion concerning application to short-term rentals.
- d. Community Development Director Sheila Hellermann provided an update. The Melrose Area Development Authority is working on outreach ideas, promoting our existing businesses and hearing from them what they are planning and what they need.

Today (Thursday, March 13th) the work started on 406 East Main Street. The

plan is to get the building sealed up and weather tight with the new roof and getting some new windows in. Work on the inside will happen after that. Right now we are having discussions about the future use. What does the community need? But we are happy to see the building saved and roof work being completed by the new owner.

At your April meeting you will be reviewing the applications for the park board. The deadline to apply is Monday, March 24th so there is still time for interested individuals.

Letters and vacant building applications have been sent to properties which are vacant – asking about plans for the future. This fits with our 2025 goal of working with existing homes on rehabilitation or ideas for expansion, maintenance or transition of businesses.

We are working with the school's summer community education program on increased use of the Sauk River Park because of their parking lot project this summer. We welcome additional visitors and use of the park.

We are working behind the scenes on permits and projects. You see construction crews doing remodels and preparing locations for new business. It is really nice to see this also happening downtown, in the middle of the city, as well as the businesses along I-94.

e. City Administrator Colleen Winter provided the following` update.

We have had some questions from the public regarding US/Canadian Tariffs on electricity and what impact that will have on Melrose. MRES does not directly purchase electricity from Canada and the RTO's (regional transmission organizations) which we are a part of is a very small percentage of our energy mix, less than 5%. MRES does not expect impacts on the current wholesale market and little to any impact on the consumers. However, we will continue to monitor this situation and keep you informed

"Yes to Homes" legislative package overview is included in your packet. The "Yes To Homes" package does not address the housing crisis in Greater Minnesota. Greater Minnesota is not facing a housing crisis because our cities are unwilling to allow new residential construction or reevaluate local policies. Our cities are facing a housing crisis because the cost of constructing a unit of housing is more than what our economies can support in rent or mortgages.

This legislation ignores all the efforts cities make and insists upon a one-size-fits-all centralized approach from St. Paul that (among other provisions):

- o Forces cities to rezone their entire community to increase density, regardless of what the city needs or whether the city has made similar changes already.
- o Imposes unreasonable minimum lot sizes and minimal setbacks.
- o Prohibits cities from dealing with local parking challenges.
- o Prohibits cities from imposing design and other standards while still allowing Homeowners Associations (HOAs) to do so.

A.I. #6 ACTION ITEMS

- a. The Council gave consideration approving the quote received from the League of Minnesota Cities Insurance Trust (LMCIT) for worker's compensation insurance for the period of March 7, 2025, through March 7, 2026. The net premium costs for the upcoming period are \$55,962. The quote in 2024 was \$113,139, which is a decrease of 51%. Due to claims history, the experience modification changed to a 0.73% credit (\$22,677) for the 2025-26 coverage period, down from a 1.08% debit for the 2024-25 coverage period. Overall workers' compensation rates for 2025 have decreased for the second year in a row. It is recommended that the Council again approve the regular premium option.

The General Fund share of the premium is \$42,531 and the Utilities' share is \$13,431 (compared to \$88,132 and \$26,816, respectively for the past year).

A motion was made by Mr. Klasen, seconded by Mr. Niehoff and unanimously carried concurring with the Melrose Public Utilities Commission approving the LMCIT workers comp insurance at the regular premium option.

- b. The Water/Wastewater Maintenance Worker Seasonal Temporary position needed clarification and general cleanup of the job description. City Administrator Winter, Water/WW Supervisor Schrantz, and HR Generalist/Payroll Clerk Rieland reviewed the job description

A motion was made by Mr. Frieler, seconded by Mr. Klasen and unanimously carried concurring with the Public Utilities Commission approving the revised Water/Wastewater Maintenance Worker Seasonal/Temporary job description.

- c. The Streets & Parks Worker Seasonal Temporary position needed clarification and general cleanup of the job description. City Administrator Winter, Streets & Parks Supervisor Rousslange, and City Clerk Haase reviewed the job description.

A motion was made by Mr. Niehoff, seconded by Mr. Frieler and unanimously carried concurring with the Public Utilities Commission approving the revised Streets & Parks Worker Seasonal Temporary job description

- d. The Streets & Parks Worker position needed clarification and general cleanup of the job description. City Administrator Winter, Streets & Parks Supervisor Rousslange, and HR Generalist/Payroll Clerk Rieland reviewed the job description.

A motion was made by Mr. Frieler, seconded by Mr. Niehoff and unanimously carried approving the revised Streets & Parks Worker position job description.

- e. Staff has updated the 2025 Fee Schedule as follows:
ALS Fee \$ \$1,500 increase to \$1,700
BLS Fee, \$800 increase to \$850
All Day Event \$350 increase to \$400

Council Member Klasen introduced Ordinance No. 03-20-2025-1, An Ordinance Summarizing and Reaffirming Fees for City Licenses, Permits and Services, Establishing a Schedule of Fines, and Providing for Subsequent Review, Modification and Amendment. The motion was seconded by Mr. Frieler with a roll call vote recorded as follows:

FOR: Council Member Klasen, Frieler, Niehoff, and Mayor Finken

AGAINST: None

ABSENT: Council Member Wieling

- f. The Melrose Planning and Zoning Commission acting as the Board of Adjustments and Appeals held a Public Hearing on February 24, 2025, for the purpose of giving consideration to amend Section 1800 Solar Energy Systems of the zoning ordinance limiting solar systems to accessory use on a parcel and for the production of energy for the structures on the parcel. The Planning & Zoning recommended approval of this amendment.

Council Member Niehoff introduced Ordinance 03-20-2025-2 Ordinance Amending Section 1800 Solar Energy Systems of the Melrose Zoning Ordinance. The motion was seconded by Mr. Klasen with a roll call vote recorded as follows:

FOR: Council Member Niehoff, Klasen, Frieler, and Mayor Finken

AGAINST: None

ABSENT: Council Member Wieling

- g. The Melrose Planning and Zoning Commission acting as the Board of Adjustments and Appeals held a Public Hearing on February 24, 2025, for the purpose of giving consideration to amending the Conditional Use Permit for the Planned Unit Development for Railroad West. The development agreement with Roach Development LLC calls for a 34-unit 17-building housing project on Lots 1 through 25, Block 2, Railroad West, which is a modification of the existing CUP and PUD.

The Commission recommended approval of the amendment to the conditional use permit for the planned unit development.

A motion was made by Mr. Frieler, seconded by Mr. Klasen and unanimously carried adopting Resolution No. 2025-16 Resolution Approving Amendment to Conditional Use Permit for Planned Unit Development for Railroad West

- h. The Park Board, at its August 21, 2024, meeting decided to add a pickleball court to the Sauk River Park west of the basketball court. Staff obtained estimates for the project.

A motion was made by Mr. Niehoff, seconded by Mr. Frieler and unanimously carried authorizing the construction of a pickleball court in Sauk River Park, and award the project to Beuning Masonry and Mayers, Inc., the low bidders for the necessary dirt work and concrete.

- i. The Council then reviewed the final agreement with Stearns County for the 2024 Main Street Project. The County Board approved the agreement on February 25th. The formal agreement follows the County's cost participation policy and will reimburse the City for all construction within the center 24 feet of the roadway, plus pay for a prorated share of the engineering.

Storm sewer participation has been the only portion of the agreement that wasn't expressly dictated by the County policy. The storm sewer on Main Street serves much more than just Main Street. Approximately 69% of the area contributing to the storm sewer is on local roads with 31% draining directly to the County Road. MnDOT uses a maximum contribution of 45% by the local agency, and County staff recommended we use the same. Despite having a higher percentage of the drainage area, Melrose is only responsible for 45% of the cost.

The table below summarizes the construction costs to date and how they are split. Total reimbursement from Stearns County to date is \$497,007.70 and is in line with what was anticipated throughout the project planning.

	Stearns County	Storm Stearns County	Storm City of Melrose	PUC	City
Payment 1	\$22,640.23	\$48,332.56	\$39,544.82	\$322,058.95	\$53,071.13
Payment 2	\$41,654.51	\$57,244.71	\$46,836.58	\$350,465.12	\$51,764.24
Payment 3	\$0.00	\$326.56	\$267.19	\$253,920.44	\$33,537.02
Payment 4	\$419.53	\$27,068.37	\$22,146.85	\$123,743.08	\$137,787.40
Payment 5	\$264,055.65	\$1,305.73	\$1,068.32	\$15,372.19	\$252,356.00
Payment 6	\$3,125.41	\$2,756.19	\$2,255.06	\$30,502.94	\$270,185.85
Total	\$331,895.33	\$137,034.11	\$112,118.82	\$1,096,062.71	\$798,701.65

A motion was made by Mr. Klasen, seconded by Mr. Frieler and unanimously carried approving the Stearns County Main Street contract.

- j. SEH is requesting authorization to advertise for bids for the 2025 Street Project. The project will include 5th Avenue from Main Street to Railroad Avenue and 8th Street from 2nd Avenue to the end of the cul-de-sac. This work is in line with the budgeted street work for 2025.

In addition to the streets outlined above, Staff has requested that we add the City Hall Parking Lot to the bid package as a bid alternate. We will word the alternate such that the Council will have the option to award either the street project, the parking lot project, or both.

Bids will be opened in early April in time for Council to award the bid at the meeting on April 16th.

A motion was made by Mr. Frieler, seconded by Mr. Klasen and unanimously carried authorizing SEH to advertise for bids for the 2025 Street project including the City Center parking lot as bid alternate.

- k. Over the past few years' animal shelters have not been able to accommodate the housing of stray or impounded animals, and dangerous dogs. The Tri-County Humane Society is now offering this service. Chief Craig Maus provided an overview of the service. City Administrator Winter is recommending entering into the agreement with the Tri-County Humane Society.

A motion was made by Mr. Niehoff, seconded by Mr. Frieler and unanimously carried approving the Tri-County Humane Society Animal Impound Agreement.

A.I. #7 OLD BUSINESS

None

A.I. #8 NEW BUSINESS

- a. Ambulance Coordinator Gina Eggert is requesting to internally advertise for the Assistant Ambulance Coordinator position.

A motion was made by Mr. Klasen, seconded by Mr. Frieler and unanimously carried approving internal advertising for the Assistant Ambulance Coordinator position.

- b. There have been inquiries about allowing chickens in the city limits of Melrose. Currently they are not permitted. Concern about allowing them has been expressed to staff by a local turkey grower because of bird flu concerns. Council to discuss this issue. Staff to investigate the pros and cons. Mayor Finken stated that he has spoken with some of the owners of the turkey barns, and they are very concerned due to the spread of Avian flu. Mr. Niehoff concurred with Mayor Finken that the city needs to be cognizant of the potential danger to the poultry industry. Council Member Klasen does not see the direct correlation between backyard chickens and the Avian flu and that there are numerous other ways it could be spread. Mr. Frieler said there are other issues beyond the Avian flu that also need to be investigated. The Council directed staff to provide additional research.

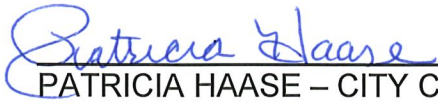
A.I. #9 INFORMATIONAL ITEMS

The following informational items were then reviewed:

- a. Utilities Commission's February 10, 2025, Regular Meeting minutes
- b. The following is a list of schools and/or conferences where registrations were made:
- 1) Brownsfield & Beyond-25 MN Redevelopment Conference - 4/24-4/25
Attending: Community Development Director Sheila Hellermann
 - 2) Disaster Management-Stearns County --3/11-3/12 Attending Streets/Parks Supervisor Andrew Rousslange
 - 3) MN Ltap Training- 3/17 Attending Streets/Parks Supervisor Andrew Rousslange

A.I. #10 ADJOURNMENT

A motion was made by Mr. Klasen, seconded by Mr. Frieler, and unanimously carried to adjourn the meeting at 6:51 p.m.


PATRICIA HAASE – CITY CLERK